

Department of Corrections

(Amounts In Thousands)

Funding History*

	FY90			FY01	FY02	FY03
GF/GP	\$732,918.4			\$1,619,600.5	\$1,599,453.9	\$1,627,858.9
All Funds	\$758,134.0			\$1,703,858.4	\$1,686,754.4	\$1,713,462.5
		% Change - GF/GP			-1.2%	1.8%
		% Change - All Funds			-1.0%	1.6%

KEY ISSUES	GF/GP	All Funds
Annualized Savings From Executive Order 2001-9	(\$16,584.8)	(\$14,423.0)
Bed Opening Adjustments - Beds Opening On or Before October 2002	\$10,905.2	\$10,917.7
Bed Opening Adjustments - Beds Opening After October 2002	\$8,227.8	\$8,227.8
Prisoner Health Care Cost Adjustments	\$7,399.3	\$7,399.3
Various Operational Adjustments	\$1,569.3	(\$991.9)
Various Revenue Adjustments	\$1,890.4	\$190.0
Adjustments to Reflect End of 1997 Early Retirement Payouts	(\$357.8)	(\$363.9)
Economic Adjustments	\$17,153.8	\$17,550.3
Staff Reductions Needed To Pay For Employee Economics (Non-Institutional Staff -- 24.0 FTE's)	<u>(\$1,798.2)</u>	<u>(\$1,798.2)</u>
Subtotal	\$28,405.0	\$26,708.1
FY 2003 Executive Recommendation	\$1,627,858.9	\$1,713,462.5

*FY 2002 funding amounts assume \$4.5 million gross, \$0 GF/GP supplemental appropriations as recommended on November 6, 2001.

CORRECTIONS

Department of Corrections

The Department of Corrections plays a key role in promoting public safety for the residents of the State of Michigan by providing custody and care for incarcerated felons, recommending sentences to the courts, and maintaining oversight and supervision of parolees and felony probationers.

The Department of Corrections currently incarcerates over 47,000 convicted felons and supervises over 67,000 additional felony probationers and parolees in the community. Population projections indicate that a minimum of 1,800 additional prisoners will be incarcerated by October 2003. The governor's fiscal year 2003 recommendation of \$1.7 billion (\$1.6 billion general fund) will meet this vital public safety need.

Achievements of Engler Administration

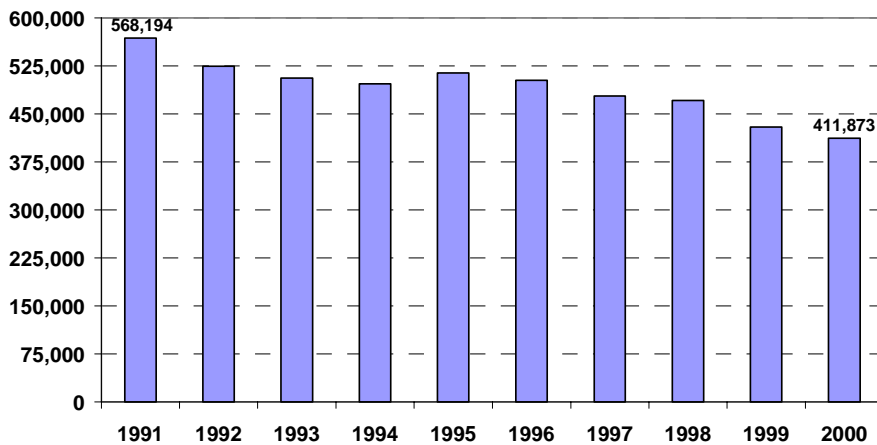
*Serious
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28% since
1991*

Serious crime has dropped substantially during the last decade. The Michigan Uniform Crime Report details annual statistics on crime in Michigan. In 1991, index crimes (murder, rape, robbery, aggravated assault, burglary, larceny, motor vehicle theft, and arson) peaked at 568,194 offenses. The 2000 Uniform Crime Report shows a drop of 28% in these most serious offenses.

Since 1990, Governor Engler has supported the addition of over 15,000 new prison beds to meet Michigan's public safety needs. Incarceration trends since 1991 reflect the Administration's policies of locking up the toughest criminals for

longer periods and providing alternative community based sanctions for lower level offenders. In 1991, 57.9% of prisoners were serving time for assaultive offenses, with an average minimum prison term (excluding lifers) of 6.4 years. By 2000, 62% were serving time for assaultive offenses with an average minimum term of 8.0 years.

Serious Crime Has Declined



In 1995, the Michigan Sentencing Guidelines Commission was formed in order to establish standardized recommendations for legislative sentencing guidelines. Truth In Sentencing put an end to the good time credit system where prisoners could be paroled prior to serving their full sentence. Prisoners must now serve the full minimum term, plus any disciplinary time that they receive for misconduct while in prison.

Addressing serious crimes committed by juveniles has been an important priority of the Administration. The 450-bed Michigan Youth Correctional Facility in Baldwin has helped to address this problem. This unique public/private partnership houses male offenders under the age of 20 who have been convicted of serious offenses. The privately constructed and operated facility opened in July 1999.

"Another reason crime is down – the number of prisoners is up. And for this, I make no apologies. In Michigan, if you do the crime, you will do the time!"

Governor Engler, State of the State Address, January 1999

The Administration's policy to double-bunk available prison space has provided the most cost effective approach to address the bed space needs of the department. Since 1991, thousands of beds have been added to existing facilities through double-bunking. In 1999, the decision to double-bunk the St. Louis Correctional Facility added 622 beds. An additional \$30 million in construction costs was avoided by double-bunking that facility. During fiscal year 2002, the security level at Southern Michigan Correctional Facility will be adjusted and the facility will be double-bunked to add 600 beds. This change will save the state \$850,000 in annual operational costs. Since 1991, most of Michigan's correctional facilities (other than maximum security facilities), have added beds through double-bunking and have helped to minimize state costs.

In Michigan, prison is reserved for the state's worst criminals. The rise in the use of less costly options for less serious felons is reflected in felony disposition statistics. In 1991, there were over 37,000 total felony court dispositions with 32.1% of that group being sentenced to prison. In 1999, there were 38,000 felony dispositions with 25.7% going to prison. The Administration has worked closely with local law enforcement to provide less costly punishment options for lower level offenders. Community corrections grants, regional jail grants, and the county jail reimbursement program are examples of how the state and local governments have worked cooperatively to address the issue of making the punishment fit the crime.

Response to Revenue Decline

In order to address recent declines in state revenues, the department has focused on increasing the efficiency of its operations while protecting the safety of citizens and staff. As part of the completion of the fiscal year 2002 budget process, \$21 million in savings were identified. In order to protect the core mission of the department, pilot programs were discontinued. Efficiencies have been gained by consolidating correctional facility and academic/vocational accounts and by minimizing overtime costs. Three less efficient facilities were also closed as part of the solution for the completion of the 2002 budget.

In October 2002, with revenue forecasts continuing to fall, an Executive Order reduction was issued to rebalance the fiscal year 2002 budget. An additional \$54.9 million in reductions was identified in the Department of Corrections. Executive Order 2001-9 included the closing of three additional facilities. Other facilities will

be double bunked to provide the most cost effective use of available prison space. Additional operational efficiencies will be generated through regionalization of the department's fire safety program and consolidation of middle management positions in correctional facilities.

New state restricted revenue generated by Public Act 213 of 2001 will replace general fund support for the county jail reimbursement program in order to keep the total appropriation for this vital program intact. General fund support for parole and probation supervision will also be offset by an increase to the fees charged to probationers and parolees for this service.

Summary of Fiscal Year 2003 Executive Budget

The efficiencies identified in Executive Order 2001-9 will continue in fiscal year 2003, resulting in an additional \$16.5 million in general fund annualized savings.

"We are using prison better as a resource than we have in the past. Those going to prison now are exactly who should be there."

Washtenaw County Prosecutor Brian Mackie, Detroit News, July 6, 1999

In order to meet the challenges presented by fiscal year 2003 prisoner population projections, the department will make optimum use of existing physical plant space. At Camp Lehman and the former reception center at Riverside Correctional Facility, space will be double bunked to add 450 beds. A more efficient use of existing buildings at Camp Brighton and Crane Correctional Facility will add another 290 beds.

Funding that was added in fiscal year 2002 for the opening of drop-in housing units at Macomb and Saginaw Correctional Facilities will be carried forward into 2003 to be used for the opening of the 480 new beds at those two facilities.

Housing units at two facilities that are currently closed will reopen during the summer of 2003. Six hundred forty five (645) beds at the former Jackson Maximum Correctional Facility will be phased in from May through July 2003. At the Michigan Reformatory, 500 beds will be reopened in July and August 2003.

With the addition of beds to existing facilities in 2003, the Department of Corrections will be able to continue to fulfill its core mission to help protect Michigan's citizens from felons that prey on society. This budget insures that the department has the tools that it needs to protect public safety.

Program Outcomes	Fiscal Year			
	2000	2001	2002	2003
In order to ensure public safety, reduce prison escapes to zero	7	5	0	0
In order to ensure public safety, maintain low rate of parole violators (rate of parole violator new sentences per 1,000 parolees)	88	87	83	83
In order to maintain a safe and secure prison environment, reduce the number of assaults against guards and inmates (rate per 100,000 prisoner days of incarceration)	5.0	4.6	4.4	4.4
In order to reduce prisoner idleness, insure that at least 90% of prisoners are engaged in productive out-of-cell activities	90%	92%	90%	90%